

## 18. Net Energy Metering

Eligible Customers installing a solar, wind, fuel cell, biomass, or closed conduit hydro electrical generating facility not exceeding 2 megawatts (MW) or a micro combined heat and power electrical generating facility not exceeding 30 kilowatts may request Net Energy Metering. An Eligible Customer-generator is defined as a customer that owns and operates, leases and operates, or contracts with a third party that owns and operates a qualifying solar, wind, biomass, micro combined heat and power, fuel cell, or closed conduit hydro electric generating facility that is located on the customer's premises or contiguous property. Micro combined heat and power is defined as the simultaneous or sequential production of useful thermal energy and electrical or mechanical power not exceeding 30 kilowatts. Fuel cell is defined as an electric generating facility that includes integrated power plant systems containing a stack, tubular array or other functionally similar configuration used to electrochemically convert fuel to electric energy. A closed conduit hydro is defined as a hydroelectric generating facility that generates electricity within existing piping or limited adjacent piping of a potable water supply system, is owned or operated by a municipal corporation or public water authority, and is designed to produce less energy than is consumed to operate the water system supply. The facility must be intended primarily to offset all or part of the Customer's own electricity requirements. In accordance with Public Utility Companies Article - Section 7-306, this Rider is available to qualifying customer-generators on a first-come, first-served basis until the rated generating capacity owned and operated by the eligible customer-generators in the State reaches 1,500 MW. This rider is available to Residential customers in single-family homes, elementary, secondary, postsecondary schools and institutions, private business and nonprofits.

Customers must comply with the Small Generator Interconnection Standards set forth by the Maryland Public Service Commission as outlined in the Code of Maryland Regulations (COMAR) 20.50.09. Customers must meet all system prerequisites and receive all required approvals from the Company, as well as local jurisdictions prior to activating a solar, wind, biomass, micro combined heat and power, fuel cell, or closed conduit hydro electrical generating facility. All expenses for inspections and approvals will be the responsibility of the Customer.

An Eligible Customer-generator's proposed electric generating system may not exceed 200 percent of the eligible customer-generator's baseline annual usage. If the Customer does not have 12 months of electric energy use at the time of the installation of the Customer's generating system, the Baseline Annual Usage may be estimated based on a mutually agreeable methodology subject to approval by the Maryland Public Service Commission. When an eligible customer-generator receiving net energy metering proposes an upgrade to an existing electric generating system, the Company shall re-evaluate the baseline annual usage to determine whether the upgraded electric generating system complies with the 200 percent system limitation. If the upgraded electric generating system does not meet the 200 percent system limitation, the Company may discontinue net energy metering.

The Company installs, owns and maintains all metering equipment needed to measure the energy supplied and received. The Company will provide a meter capable of measuring the flow of electricity in two directions of the same capacity as that provided to a non-eligible customer-generator under the same Rate Schedule. Residential and Small Commercial customers are required to take service from a standard watt-hour meter to participate in the Net Energy Metering program.

A Customer receiving service under this Rider is billed under the charges that would be assigned if the Customer were not an eligible customer-generator. If the energy supplied by the Company exceeds electricity generated by the customer-generator during the applicable billing month, the customer-generator shall be billed for the net energy supplied by the Company during the billing month. If the energy generated by the customer-generator exceeds the energy supplied by the Company during the month, the customer-generator shall be required to pay the customer charges for that billing month,

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as required by the Rate Schedule under which the customer-generator is receiving service. The eligible customer-generator shall accrue net excess generation for a period not to exceed 12 months and that ends with the billing cycle that is complete immediately prior to the end of April of each year. The Company shall carry forward net excess generation until the eligible customer-generator's consumption of electricity from the grid eliminates the net excess generation or the accrual period expires. Net Excess Generation means the amount of the electricity generated by an eligible customer-generator that is in excess of the electricity consumed by the eligible customer-generator and that results in a negative kilowatt-hour reading at the end of the eligible customer-generator's billing cycle. The dollar value of net excess generation shall be equal to the generation or commodity portion of the rate that the eligible customer-generator would have been charged by the Company averaged over the previous 12-month period ending with the billing cycle that is complete immediately prior to the end of April multiplied by the number of kilowatt-hours of net excess generation. For customers served by an electricity supplier, the dollar value of the net excess generation shall be, if available, equal to the average generation or the commodity rate that the customer would have been charged by the electricity supplier of record as of March 31 during that period of service by the supplier multiplied by the number of kilowatt-hours of net excess generation. If the current supplier generation or commodity rate is not available the company will use the rate paid to BGE SOS customers as a proxy for developing the net excess generation payment.

On or before 30 days after the billing cycle that is complete immediately prior to the end of April each year, the Company shall pay each eligible customer-generator for the dollar value of any accrued net excess generation remaining at the end of the previous 12 month period ending with the billing cycle that is complete immediately prior to the end of April. Within 15 days after the date the eligible customer-generator closes the eligible customer-generator's account, the Company shall pay the eligible customer-generator for the dollar value of any accrued net excess generation remaining at the time the eligible customer-generator closes the account.

The application of this Rider to Schedules GL, P and T shall be on the basis of each time-of-use period and not total monthly energy. Educational institutions receiving service under Schedules GL, P or T that are eligible customer-generators may petition the Public Service Commission for consideration of alternative methods or means of achieving net energy metered service.

The solar, wind, biomass, micro combined heat and power, fuel cell, or closed conduit hydro electrical generating facility used by the customer-generator shall meet all applicable safety and performance standards established by the National Electric Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories. Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgement provides safety for personnel, affords adequate protection against damage to the Company's system or its Customers' property, and prevents any interference with the Company's supply of service to others. Customer's equipment which meets the above mentioned standards shall be considered to have met the Company's requirement for protective equipment. Customers whose equipment does not meet these standards may require additional protective equipment. Such protective equipment is installed, owned and maintained by the customer-generator at the customer-generator's expense.

In addition, it may be necessary for the Company to modify portions of its system or provide a larger than normal capacity meter to accommodate the purchase of electricity. Prior to initiating Net Energy Metering service, the Customer shall pay the differential between the installed cost of a larger capacity meter or necessary distribution system upgrades requested by the Customer or required by the Company, and the meter or distribution equipment normally provided under the Customer's applicable Rate

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Schedule. Should system modification be necessary, the Company, at the customer-generator's expense, performs all work on the Company's side of the meter. The Company is not liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential that originates from the customer-generator's electric generating facility.

The electric generating facility is to be interconnected and operate in parallel with the company's transmission and distribution facilities. Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The customer-generator must cease parallel operation upon notification by the Company if such operation is deemed unsafe, interferes with the supply of service to others, or interferes with system operation or maintenance. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the customer-generator to operate in compliance with Company requirements.

Failure of the customer-generator to comply with any of these requirements shall result in disconnection from the Company's system, and the Company will be under no obligation to make purchases there from.

**Net Metering Aggregation**

When requested in writing by a Net Energy Metering Eligible Customer-generator the Company shall provide meter aggregation to qualified customer generators. The following Eligible Customer-generators are qualified to request meter aggregation: a customer-generator using service for agriculture, a customer-generator who is a not-for-profit organization or business and a customer-generator who is a municipal government or its affiliated organizations.

The account associated to the eligible, net-metered generation resource will be considered the "host" account. The accounts must be held by the same customer and must all be associated with premises located within the BGE service territory. When the "host" account and the accounts to be aggregated are provided energy by a third party supplier all parties, both host account and aggregated accounts, must be served by the same third party supplier.

The customer is required to provide written allocation instructions detailing how to prioritize the distribution of its excess generation credits to each account prior to the commencement of any meter aggregation. The Company reserves the right to advise the customer on the order of the accounts to facilitate timely billing and may require the customer accounts to be moved to a common bill cycle or be aggregated in a priority order beginning with the accounts closest to the host account read date and preceding to subsequent accounts. Company may require a 90 day window to make systems ready with the 90 day window beginning upon receipt by the Company of the signed Certificate of Completion for interconnection.

The Company will apply the excess credits in such a manner where the excess credits will be applied to the first account as specified by the customer with the remaining credits, if any, applied to subsequent accounts until the excess credits are depleted. If credits remain after all credits have been allocated to the customer-specified accounts, the remaining credits will carry over to the subsequent bill cycles and applied in the same priority order with the host account being first. If generation credits

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remain on the account after the billing cycle that is complete immediately prior to the end of April, the generation credits will first be applied in priority order to the aggregated accounts. If generation credits still remain after all aggregated accounts have been cleared of consumption, the customer-generator shall be paid the dollar value of this generation per the commodity rate of the host account as specified in BGE Rider 18, Net Energy Metering.

The Eligible Customer-generator may change its list of aggregated metered accounts no more than once annually by providing the Company ninety days' written notice. In order to continue under this rider, the eligible customer generator must notify the Company of any change in ownership or order of the accounts by providing the Company ninety days written notice.

Within sixty days after the date the eligible customer-generator closes the Customer's account, the Company shall pay the Customer for the dollar value of any accrued net excess generation remaining at the time the eligible customer-generator closes the account.

For an aggregation qualified eligible customer-generator whose electrical services are located close enough to physically interconnect and meter at a single point, the Company may require the customer to make physical electrical connections and re-establish metering at a single location. Physically aggregated services must meet all applicable requirements of COMAR 20.50.01 and 20.50.02.

The Company will consider new dedicated service connections for generators directly connected to its distribution system ("direct connect"). Such dedicated service connections will be considered in lieu of upgrades, when cost efficiencies will be achieved, or when step-ups/step-downs will be avoided by doing so. The direct connect generator must be located on the customer's premises or contiguous property as at least one of the customer's existing customer accounts included in the aggregation.

Unless otherwise specified under Meter Aggregation, all other net metering processes and requirements will follow BGE's Rider 18, Net Energy Metering.